

RICHTERSVELD MUNISIPALITEIT

JAARVERSLAG 2007



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Richtersveld Municipality consists out of the following towns:
Port Nolloth, Lekkersing, Eksteenfontein, Kuboes, Sanddrift, Alexander Bay (busy in discussions and planning for official established)

THE MUNICIPAL VISION

The Municipality has adopted the Vision from the Richtersveld Transitional Council as expressed in the RTC IDP (2002). The Vision for the Richtersveld Local Municipality reads as follows:

Daar moet voortdurend gestreef word om al die Richtersveld se bronne, insluitende die natuur, die kultuur en menslike hulpbronne, op 'n volhoubare manier te ontwikkel sodat die mense van die streek daarby sal baat en ons toekoms verseker is.

Translation: We should continuously strive to develop all of the resources of the Richtersveld, including its natural, cultural and human resources, in a manner that is sustainable and benefits the people of the region so that our future will be secure.

MISSION

To maintain optimal standards of professional practice leading to the highest possible quality of service delivery.

To provide and render direct services, education, support and advocacy for customers, stakeholders and employees involved in service delivery. To meet the individual needs of each customer without regard to race, colour, national origin, religion, sex, age, handicap, indigent status or ability to pay for services

To respect the customer and his/her family as individuals, assuring the right for confidentiality, respect and dignity.

To integrate community consultation in all service delivery.

To promote and encourage professional growth of all staff members.

LEGISLATIVE FRAMEWORK

The work of municipalities is guided by a variety of laws, regulations and policy frameworks as well as strategy papers. A non-exhaustive list of some of the most important documents is listed hereunder. Starting from the national Constitution, great emphasis is placed on the involvement of the beneficiaries of development interventions and the building of participatory democracy. Local communities resident in municipalities are therefore granted the right and responsibility to fully participate in all phases of planning, right from the conceptualization phase up to its final review and redesign. Legislation also places an additional responsibility on municipalities to undertake capacity-building exercises to enhance the participation of individuals in municipal affairs.

1. Constitution of South Africa; Act 108 of 1996
2. Municipal Systems Act 32 of 2000
3. Development Facilitation Act

4. Spatial Development Framework
5. Municipal Structures Act 33 of 2000
6. Municipal Electoral Act 27 of 2000
7. Promotion of Administrative Justice Act 3 of 2000
8. Inter Governmental Relations Act 13 of 2005
9. Promotion of the Access to information Act 2 of 2000
10. Disaster Management Act 57 of 2002
11. Promotion of the protection of the Rights of Cultural, Religious and Language Community Act 19 of 2002
12. Municipal Demarcation Act 27 of 1998
13. Organised Local Government Act 52 of 1997
14. Remuneration of Public Office Bearers Act (Act 20 of 1998)
15. Organised Local Government Act (Act 52 of 1997)
16. Municipal Property Rates Act (Act 6)
17. National Water Act (Act 36 of 1998)
18. Water Services Act (Act 108 of 1997)
19. White Paper on Integrated Waste & Pollution Management Act
20. National Environmental Management Act (Act 39 of 2004)

PREFACE BY THE MAYOR

2007 Surely was an outstanding year in the history of the Richtersveld. When we look back for a while we are conscious aware that without God nothing would have been possible. In times of despair and progress, he was with us.



Let me take the opportunity, on behalf of the Richtersveld Municipality Council to wish everybody a Blessed Christmas and a Prosperous New Year. Let us celebrate the Festive Season in such a way that we make each other happy. Let us give to those who haven't. Let us show brotherly love without conditions. Let us give to God what He deserves.

The purpose of this booklet is to report on activities of the past year. But more to say "Thank you" for everybody's contributions. We must look back in an effort to see where we can better in terms of service delivery.

The declaration of a part of the Richtersveld to a World Heritage Site will always remain a moment of pride. The non-permanent Blue Flag Status in McDougall's Bay is a good beginning and the prospects of the new Sport stadium in Port Nolloth gives us unending hope. The opening of the pond at Sendelingsdrift shows great tourism potential.

Let us give tourist the opportunity to share the values of our area. Let us be proud of the fact that hospitality is one of our strengths. Let us at the same time remind everybody that crime doesn't pay.

Stay well

PREFACE BY THE MUNICIPAL MANAGER

For this report under review we have achieved a great deal. The challenge for us is to what extent have we as Local Government succeed in developing the Richtersveld Municipal Area in terms of infrastructure the economy, social, etc.

For the year under review 2007/2008 our Council and Staff shared a firm commitment to work together, with our communities, to achieve our mutual goals and to realise our vision for the Richtersveld. Therefore let me share some of the achievements for this year (2007/2008):



- 839 household registered as indigents
- 100% of indigent households have access to free basic electricity
- 100% of indigent households have access to free basic water
- Free basic water (6kl) and free electricity (50 units)

We are currently in the process of finalizing our Property Valuations in terms of the Municipal Property Rates Act:

- Implement some components of GRAP/GAMAP
- Complete Drop Inn Centre and accommodate various departments as a one stop centre.
- The allocation of Pilot Blue Flag Status for McDougalls Bay beach, a first for the Northern Cape.
- The Richtersveld has also been awarded World Heritage Status, becoming the eighth such site in the Country and the only one in the Northern Cape.
- As part of our investigation for alternative energy Third Planet Enterprises erect a 60m Mast on one of our farms to measure wind for the possible generating of Wind Energy.
- Town Establishment for Alexander Bay are progressing as the investigation for this process has been completed.
- At the IDP Engagement, Richtersveld Municipality received an excellent rating for a credible and implementable IDP for 2007.

I want to express my sincere thanks to all staff members for their dedication and hard work. My sincerest thanks also to all Councilors for their unselfish service to the Richtersveld Communities.

FIVE YEARS LOCAL GOVERNMENT STRATEGIC AGENDA

1 Institutional Capacity & Municipal Transformation

The successful implementation of any strategic plan requires the availability of the requisite and appropriate skilled personnel. The Richtersveld Municipality currently have a staff component of 122 consisting representative of all language groups in the area namely Afrikaans, English and Xhosa. Despite this, the organization is still Afrikaans – dominated and still displays the existence of its former organizational culture. Due to the dominance of Afrikaans speakers in its ranks the Richtersveld Municipality still struggle to respond to request to have all documentation available in the official languages of the Northern Cape Province. Employment Equity and multi-lingualism in particular warrants further attention in order to ensure a fully representative administration able to provide accessible services to all of the communities of the municipality. These challenges must be actively challenged in the coming period. Much progress has been made with regard to financial management training under National Treasury's Internship Programme and the foundation has been laid for consistent compliance with the prescripts of the Municipal Finance

Management Act (MFMA). Given the geographical spread of the municipality, decentralized service delivery remains a challenge. Staff development, morale and career progression are other matters that are matters that continue to demand focused attention. The outstanding issue of the TASK Job Evaluation conducted in 2006-2007 is a continuing cause of concern as the Job Evaluation Committee in the Northern Cape did not complete total job evaluations. The Richtersveld Municipality places high premium on staff development and has a formal work place skills plan in place. It is also able to implement the said programme but expansion is needed in order to be able to fully claim back the maximum levies from the LGWSETA.

ORGANISATIONAL PERFORMANCE MANAGEMENT SYSTEM:

The organisation's performance management system that forms an integral part of its operational processes, must still be fully completed and rolled out and diligently apply if the objectives of the municipality is to be achieved.

In terms of Chapter 6, Sec 38 of the Municipal Systems Act 2000, a municipality must:

- a. Establish a performance management system
- b. Promote a culture of performance management amongst it's political structures, political office bearers, councilors and its administration
- c. Administer its affairs in an economical, effective, efficient and accountable manner.

The Municipal Performance Management Regulations in terms of the Municipal Systems Act determines that at least the following key performance areas should be measured:

- Infrastructure and Services
- Social and Economic Development
- Institutional Transformation

- Democracy and Governance
- Financial Management

It is important to apply the following principles when we implement the PMS:

- The transfer of skills is essential to ensure that the responsible staff will be able to implement the PMS
- That management takes full ownership and accountability for implementing and sustaining the process
- That a responsible person is appointed that will be responsible for the coordination and management of the PMS
- That the process is not consultant driven and that delegated staff member's takes responsibility for gathering data. (if consultants are appointed the consultants will only provide hands-on support but delegated staff needs to take responsibility for the process)
- That all staff members including union representatives are fully appraised on the system to ensure their support and cooperation in implementing the system
- Those councillors are fully appraised on the principles, philosophy and outputs of the PMS in order to create a conducive environment for implementation.

2 Basic Service Delivery & Infrastructure

WATER

Port Nolloth

Alexcor provides the water, which is then pumped into the Holgat reservoir about 40km from the point of abstraction. Due to the shortage in the supply of the water from Alexcor, three boreholes are also currently in use. The water from the Julieshoogte borehole is problematic and is saline. The water from the other boreholes also does not comply with the water quality requirements and cannot be used in the long term for human consumption. The blending of water will have to be investigated. Constant water shortages are currently experienced and the municipality reported that lack of water supply to consumers is experienced weekly. The fact that the area is growing and several new developments are taking place increases the pressure on the water supply. KaiKai coastal development makes provision for an additional 200 stands. The development of the Mariculture Park will place extra pressure on Municipal Resources particularly water. This will require an additional 40 000 kl of water per month.



The Alexkor pipeline has reached its capacity. The only option is to improve the capacity of the pipeline. Alexcor cannot afford the upgrading of the pipeline and the municipality will have to take the responsibility.



Kuboes

Floods washed away part of the pipeline and to replace this network it will cost in the region of R4.2 million. There are currently negotiations underway between the Municipality, Namaqua Diamond Trust Fund and Trans Hex to contribute towards these costs.

Lekkersing & Eksteenfontein

Still have brackish water and experienced regularly pump failures but never the less water is there.



Sanddrift

We are experiencing problems in Sanddrift where Trans Hex is the service provider, with supply of water to the Sanddrift towns itself. We are grateful to resolve the challenge.

Water Quality

Richtersveld Municipality budgeted for monthly water samples to be taken in every town and sent to a laboratory in Cape Town. Records of monthly results are available.

Possible solutions (Water)

Alternative solutions that have to be investigated are the following:

- Water demand management and loss control systems should be put in place to ensure that losses are minimized (through funding from the Development Bank of Southern Africa, Bvi was appointed to this investigation and are currently in process)
- Construction of a desalination plant to improve the water quality of boreholes
- Desalination of seawater (to help with the Mariculture Activities)
- Extension of the Namakwa Water pipeline
- Extension of the Kleinsee pipeline
- Pipeline from Vioolsdrif on the Orange River
- Pipeline from Alexander Bay on the Orange River

Estimated Cost

The cost implications for some of the alternatives are not yet known.

It is estimated that the pipeline from Alexander Bay will cost in the region of R50 million and the desalination of sea water will cost approximately R15 million.

Provision of Free Basic Water

All households received 6kl water per month. Communities in rural towns like Sizamile, Lekkersing, Eksteenfontein, Kuboes and Sanddrift did not pay for any water consumption. The municipality levied only availability charges.

SANITATION

The installation of dry pit toilets is almost completed. All buckets are also eradicated in this year. There are still ten houses without toilets in Lekkersing, material for this are available but we still battling with funding for the labour. We experience major problems in Nollothville and Sizamile with pump failures mostly caused by foreign objects in the pipeline.



ELECTRICITY

All the rural towns in the Richtersveld are directly supplied with electricity from ESKOM. Eksteenfontein constantly has problems with its supply even though it has been upgraded.

In Port Nolloth electricity is supplied in bulk by ESKOM to the town and directly to Sizamile whose residents make use of prepaid meters. Port Nolloth's low tension network is in a very poor condition and needs upgrading or replacing.

Alexander Bay has a problem with its high tension network and its electricity operates off the same sub-station used for the mine. Thus for the town to be managed as a separate entity it needs to have its own sub-station. All the houses and most of the public facilities do not have a certificate of compliance and therefore will need to be rewired for Alexander Bay to be upgraded to municipal standards.

REFUSE REMOVAL

The management of waste within all the towns of the Municipality is problematic. Alexander Bay and Port Nolloth have DEA&T Poverty Alleviation or *Coast Care* projects that fund waste management programmes yet most of the work has been focused on litter clearance and not on the management of waste. It is imperative that the next phase of the *Coast Care* and Waste Management projects focus on waste management as such, and that ways are explored that will lead to the installation of a waste management system, possibly in partnerships between SMMe's and the Municipality. All landfill sites have permits from the Department of Water Affairs and Forestry (DWAF) however some of the sites are very poorly managed and is under pressure from the Department for closure as it is not complying with the regulations. Throughout the Municipality there is the problem of informal dumping in the field.



In Port Nolloth waste is collected once a week using a compactor truck. This truck is old and needs to be upgraded. In the rural towns waste is collected in open trucks except for Lekkersing which has a closed truck. There are no recycling operators or private waste collection companies.

A waste management system has been set up for the Municipality in accordance with the white paper on Integrated Pollution and Waste Management for South Africa, in this document waste minimisation and recycling is promoted. There is currently an application made through the De Beers Social and Labour Plan for such a system to be put in place and for the improvement for landfill site infrastructure.

ROADS AND STORM WATER

The road from Alexander Bay to Kuboes and Sanddrift, which is in a very poor condition is the main route to the Richtersveld National Park and that Trans Hex vehicles utilize daily. Tarring of the road is crucial for all who use it. We are currently negotiating with the Province, District Municipality, Trans Hex, Alexcor and DEAT National to help tar the road. The road to Eksteenfontein, Lekkersing and Kuboes are in a very bad condition. After every rainfall nobody can use this road. Potholes in Port Nolloth are a huge challenge and roads have to be maintained on a regular basis. Procuring tar from the company Road Mix in Gauteng is an expensive exercise.



The general state of roads within the towns of the Municipality is very poor and most of the roads between the rural towns are gravel. This makes life difficult for residents particularly farmers who have to pay high maintenance costs on their vehicles. It does also add to the wilderness appeal of tourists who are privileged to own 4x4 vehicles.

Within the rural towns all the roads are unsurfaced and are very uneven and appear to be unmanaged. The only tarred roads within any of the towns are in Alexander Bay and sections of Port Nolloth. These roads are starting to develop pot-holes and need to be maintained. Port Nolloth has a basic scraper to deal with the gravel roads within town however most of these roads are currently in a poor condition. The district roads from Steinkopf to Port Nolloth and from Port Nolloth to Alexander Bay are tarred and in good condition. The other roads are gravel and it is the responsibility of the Namakwa District Municipality to maintain these roads. However the district only has three scrapers for the entire area and lacks funds to maintain all the gravel roads sufficiently. Alexkor Ltd and Trans Hex maintain the road from Alexander Bay to Sanddrift and have all the necessary equipment.

There are currently not sufficient funds to tar more roads, however if funds are found it is proposed that the road from Alexander Bay to Kuboes is tarred. As the Municipality is located in a dry climate it needs more regular maintenance of its roads in the form of watering and constant grading as is done in Namibia where climatic conditions are similar.

PPC cement trucks make use of the tarred main roads through the Municipality to transport cement to Oranjemund. These trucks cause wear and tear on the roads yet do not pay anything to any South African authorities for road maintenance.

PARKS AND CEMETERIES



There are very few managed open space systems within the Municipality. Most of the rural towns do not have a park or a playground and even though the towns are surrounded by a lot of space. There are no quality managed play spaces for the children. One of the major limiting factors in creating these spaces is the fact that there is insufficient water to grow grass.

Port Nolloth has two parks however neither is managed. The park in the northern section was supplied with infrastructure and the community agreed to maintain the parks. However this has not taken place and the facilities are currently in a state of disrepair. A garden was created near the historical cemetery in town. There are no recreation areas in Sizamile. There is a lot of open space within the town yet it is not properly managed. The proposed Municipal reserve may alleviate the problem in the south-eastern part of the town, positively affecting the low cost housing development between Nollothville and McDougall's Bay.

Alexander Bay is the exception to the rule and has five parks three of them with recreational facilities. These parks add character to the town and make it very pleasant for the residents. Alexander Bay is also closely located to a good and cheap supply of water.

SPORTING FACILITIES

All the rural towns have previously upgraded sport facilities funded by the Namaqua Diamond Fund Trust. We are currently in a process of establish sport facilities through the Municipal Infrastructure Grant in Port Nolloth. The state of sports fields in the area is appalling. This is mainly because of the critical shortage of water that is needed to grow grass.



Once again Alexander Bay is the exception and has numerous sporting facilities that are of a high standard.

FIRE FIGHTING AND EMERGENCY SERVICES



We don't have a fire station located within Port Nolloth. Out of the Disaster Management Fund from the Namakwa District Municipality Fire fighting units and water tankers were purchased for our municipality. Currently we are in the process of buying gear for workers on fire brigade stand by.

A Disaster Management Plan has been developed by the African Centre for Disaster Studies; North-West University, Potchefstroom Campus (2004).

LOCAL TOURISM

Currently the Municipal offices in Port Nolloth double as a local tourism office. There are plans to build a specific tourism office. However, the Port Nolloth Museum, ideally located on the beachfront and central in terms of access roads, should be explored to fulfill this function, especially as it already draws visitors. Within the rest of the Municipality, Eksteenfontein is the only town that has a Tourism Information Centre (TIC). There is a building in Kuboes set aside for this purpose but it is not operational and the former Northern Namaqualand Tourism Office in Alexander Bay is not



functioning anymore. This office is ideally located at the entrance of the town and can be easily revived as an information office that can be of benefit to the entire area.

LIBRARIES

There are libraries managed by the Municipality in Port Nolloth, Lekkersing, Kuboes, Sanddrift and Eksteenfontein and there is also a reasonably stocked library in Alexander Bay. There is also a toy library for kids in Eksteenfontein.

HOUSING

Since 1994 in the region of 700 housing applications has been approved. The Municipality had to intervene with regards to housing in Nollothville extension and Richtersveld towns the progress is not acceptable. The above having been addressed does not resolve the housing shortages.

Kuboes	200
Sanddrift	250
Lekkersing	150
Eksteenfontein	150
Port Nolloth	350
Total	1100

LOCAL ECONOMIC DEVELOPMENT

1 NAMAQUA MARICULTURE PARK

Mariculture (the farming of marine organisms) has been identified as an underdeveloped but potentially significant contributor to the Northern Cape provincial economy. The Namaqualand coast in particular was identified as an area, which has the potential to be developed as a node for mariculture activity. Mariculture development has been slow in South Africa; the country has a high-energy coastline, limiting the industry (in the main) to capital intensive, land based, pump-ashore operations. The mariculture park concept is based on the business cluster model, used in industrial or eco-industrial parks. The aim of the park is twofold; to lower the barrier preventing entrepreneurs from entering the mariculture industry, and to attract mariculture and its support businesses to Namaqualand, to provide a source of employment and concomitant social upliftment to the Northern Cape coastal communities.

The mariculture park described above will cover a surface area of approximately 7 ha, but could grow to more than 15 ha, depending on the type of mariculture operations attracted to the park.

The most obvious Sosio-economic benefit of the mariculture park is that it will attract sustainable businesses to the Namaqualand region. The size of only 3 tenants will provide direct, stable, relatively well-paying employment for more than 140 local people. It is more than likely that once the park has been established, it will grow sustainable larger

than the three-tenant scenario, with potential benefits to the local community including opportunities for small-scale entrepreneurs through the downstream and satellite operation initiatives.

At the launch of the Provincial Growth and development Strategy on the 27th of January 2005, the Premier committed the Provincial Government to support the establishment of the Mariculture Park in Port Nolloth.

The project has been identified as a flagship/anchor project through the Provincial Growth and Development Strategy.

2. *RICHTERSVELD/AIS-AIS TRANSFRONTIER PARK*

TOURIST ACCESS FACILITY

SENDELINGSDRIFT

The Sendelingsdrift Tourist Access Facility lies on the border between Namibia and South Africa in the Ais-Ais/Richtersveld Transfrontier Park, which spans some of the most spectacular arid and desert mountain scenery in South Africa and features the world's second largest canyon, the Fish River Canyon. The pontoon crossing on the Orange River at Sendelingsdrift will for the first time allow visitors to the Ais-Ais/Richtersveld Transfrontier Park the opportunity to cross the border between Namibia and South Africa within the parameters of the park, instead of the 480 km route via the Vioolsdrift/Noordoewer port of entry.



3. *RAMSAR SITE WORKING FOR WETLANDS*

The Orange River Mouth (ORM) was declared a Ramsar site in 1991. Due to continuing damage being inflicted on the site, and general neglect and lack of management, the site was added to the Montreux Record in 1995.. The damage was a result of reduced water flow to the ORM wetland, not only because of diminished water flow upstream but also

as a result of local disruption of the channeling system on the site. Further damaging factors include smothering of vegetation, and dust spreading through ongoing mining activities. Since the ORM was listed on the Montreux Record, little progress has been made to rehabilitate the wetland. While considered to be one of the most important wetlands in southern Africa, the ORM is a degraded site with decreasing water bird numbers.

There is no official conservation status for the ORM in either Namibia or South Africa. The ORM was intended to become a provincial reserve in South Africa, but for years active mining and changes and uncertainties in land ownership has prevented its creation. Also, much of the surrounding land is part of a concession for diamond mining and hence access to ORM is restricted as a result. Yet there has been progress since the current proposal was first submitted. On the South African side, the Community Property Association (CPA) which is comprised of local members of the Richtersveld community, has been granted future ownership in a drawn out court case, and all parties now accept this ownership. Also, for now the mining companies have agreed not to mine the ORM site.

By and large, the continued poor state of the ORM can be laid at the door of ignorance and poor public awareness of the importance of the ORM. Now that the community has the land back, they can push and lobby for positive changes to happen as take hands with all parties that want to put the ORM under sustainable utilisation. Therefore, a key intention of this project is to ensure that the ORM's values and functions become better known, appreciated and supported by the local population. This project will hence prepare the road for the ORM becoming a well cared-for and fully established Protected Area.

There are further reasons why the ORM is strategically important. This falls on the border between two countries, Namibia and South Africa. The importance of this site is global in terms of water birds and fisheries. It is also regional in that it serves as an ecological and cultural epicentre to the region and the evolving Greater !Gariep Transfrontier Conservation Area. The ORM is one of the most important wetlands in Southern Africa with regard to migratory birds (it is one of few freshwater habitats along the desert coast for thousands of kilometres), is home to 15 Red Data List species and lies within the Succulent Karoo biodiversity hotspot.

To begin the process of restoring ORM to a healthy, functioning system, it is necessary to build support for and awareness of ORM's conservation amongst the local population if they are to be effective stewards of the ORM. To do this, the effort must extend to the greater transfrontier community working on both sides of the Orange River.

Specific objectives are:

- To educate youth and decision-makers and inform local people about the ecological, cultural, economic and historic importance of wetlands;

- To help create a network of government, local community, civil society and NGOs that will all work together in the common aim of restoring and safeguarding the site for the future;
- To build respect of, appreciation for and a sense of value for wetlands;
- To discover ways in which the site can be utilised for non-destructive uses, such as responsible tourism;
- To publicise issues and make information available, especially across political boundaries and hence foster international collaboration

To achieve these objectives, this project will produce a variety of awareness building and educational tools for the local communities, with an emphasis on youth. Print, interactive and physical media will be used to raise awareness about the ORM site and to generate enthusiasm for its rehabilitation and ongoing conservation. ORM site visits enhance school student experiences, participative planning and cross-border initiatives will also help achieve the objectives of the project.

4. *RICHTERSVELD WORLD HERITAGE SITE*

The Richtersveld has been awarded world heritage status, becoming the eight such site in the country.

This site covers 160 000 hectares, the mountainous desert featured harmonious interaction between human and nature, and migration patterns by the Nama people that had lasted for at least two millennia.

The Richtersveld Cultural and Botanical Landscape were buffered by the following protected areas: the Richtersveld national park to the north; Nababeep provincial nature reserve to the east, and communal grazing areas to the south and west.

MUSEUM – BIODIVERSITY CENTRE

Currently the Port Nolloth Heritage Trust in cooperation with the Port Nolloth Municipality started to work on the Port Nolloth Biodiversity Centre in the Old Post Office Building. This building is leased by SAMSA. The Port Nolloth Biodiversity Centre will focus on the unique environment of Port Nolloth and the Richtersveld including animals and plants. The aims are to:

- Create a centre for environmental education of both, locals and visitors
- Contribute to the education by offering special guided tours to schools
- Create awareness of the different habitats and environments surrounding Port Nolloth in both, locals and tourists
- Conduct and facilitate research on the local environment
- Provide tourists with information via the Tourist Information Centre at the museum entrance

Rehabilitation / Transformation of Four Local Museums

We are currently in the process to put in place an environmental awareness and education programme which can continue to be implemented after project closure. The programme will raise awareness and provide education amongst visitors and the community about the regions biodiversity, environmental and cultural values as basis for the region's economy. Some aging museum infrastructure exists and should be rehabilitated and/or transformed to provide exhibition and environmental awareness facilities. They include the Alexander Bay Living Museum and local museums at Kuboes, Eksteenfontein and Port Nolloth. The Museums are under the jurisdiction of the municipality but may be transferred to the CPA or another suitable entity.

FINANCIAL VIABILITY AND MANAGEMENT

DEPARTMENT OF FINANCE

BOOK YEAR 2006/2007

The above mentioned book year was a very challenging one to all the officials working in the Finance Department of Richtersveld Municipality. It was expected from every individual, besides his/her daily functions, to be prepared, to help the Consultants that were contracted by the Council to get the new Accountancy System in place. A very special thanks to all the personnel of the Finance Department, who were very reliable.

During this book year we focused on the completion of the Assets Project that were in the pipeline for almost three years. The officials of the Municipality, responsible for Assets, categorized the different Assets of the Municipality. The Assets were then marked (bar coded) and the proper bookkeeping methods were put in place. Lucra Consultants have done a separate evaluation of the Infrastructure Assets of the Municipality, to be able to connect the Assets to their different values. The programmers of the Municipality, R Data, in conjunction with Du Charme Consultants, did the Accountancy Transactions of the Assets. We completed this project successfully.

The second most important project of this book year was to upgrade the Financial System to the standards of G A M A P (General Accepted Municipal Accounting Practices) and G R A P (General Recognised Accounting Practices). Both these standards have to do with National and International accepted practices and are prescribed by our Government. At this point I would like to mention that the Government has postponed these standards for implementation in the Annual Financial Statements of the Municipality. (Government Gazette notice no 522 Dated 29 June 2007). However, the Finance Department, with the support of their Municipal Manager, chose to continue with this project. This project was a success and the A F S for the book year 2006/2007 was submitted in this format.

The above-mentioned activities all had their different challenges and dead lines. It was very important for the consultants to have the work done before the dead lines in order for them to continue and to be cost effective. At first it seems to be an impossible task but

with the help and commitment of the officials every component works in perfect harmony.

The Finance Department can successfully look back on the year in question. The challenge in future will be for us to implement Supply Chain and to work the new System, successfully. We are confident that we will get the support of our council and other staff to reach new heights in the coming years!

A.M. STUURMAN
NOVEMBER 2007

STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2007

	Note	2007 R	2006 R
NET ASSETS AND LIABILITIES			
Net Assets		58 551 850	68 150 077
Housing Development Fund	1	976 401	976 401
Capital Replacement Reserve		640 743	1 130 710
Capitalisation Reserve		3 875 286	4 284 443
Government Grant Reserve		16 318 184	18 794 649
Donations and Public Contribution Reserves		9 570 168	10 337 441
Accumulated Surplus / (Deficit)		27 171 068	32 626 432
Non-Current Liabilities		22 865 405	19 941 477
Long-term Liabilities	2	5 691 544	3 838 267
Non-current Provisions	3	17 173 861	16 103 210
Current Liabilities		6 714 565	6 021 363
Consumer Deposits	4	508 915	471 012
Provisions	5	44 856	42 118
Creditors	6	2 166 952	1 648 930
Unspent Conditional Grants and Receipts	7	3 808 233	2 950 407
VAT	8	(195 015)	(115 817)
Bank Overdraft	17	-	274 111
Current Portion of Long-term Liabilities	2	380 623	750 601
Total Net Assets and Liabilities		88 131 820	94 112 918
ASSETS			
Non-Current Assets		80 007 028	83 120 956
Property, Plant and Equipment	9	78 966 911	81 917 400
Investment Property	10	178 500	178 500
Intangible Assets	11	263 795	199 509
Long-term Receivables	12	597 823	825 547
Current Assets		8 124 792	10 991 961
Inventory	13	98 029	270 354
Consumer Debtors	14	2 491 384	6 158 235
Other Debtors	15	18 721	21 332
Current Portion of Long-term Receivables	12	387 225	512 500
Short-term Investment Deposits	16	5 028 903	4 029 160
Bank Balances and Cash	17	100 530	380
Total Assets		88 131 820	94 112 918

**STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED
30 JUNE 2007**

Budget				Actual	
2006 R	2007 R		Note	2007 R	2006 R
REVENUE					
4 639 797	3 713 374	Property Rates	18	2 775 485	2 570 369
186 633	201 563	Property Rates-Penalties imposed and collection charges		234 006	187 162
7 680 580	10 332 344	Service Charges	19	8 740 532	8 250 586
805 104	923 800	Rental of Facilities and Equipment		820 736	909 208
42 500	52 420	Interest Earned – External Investments		461 599	404 386
810 000	751 000	Interest Earned – Outstanding Debtors		814 274	688 854
53 400	23 592	Fines		65 207	21 179
46 500	52 620	Licences and Permits		67 810	56 070
20 000	242 285	Income for Agency Services		246 530	224 258
4 439 809	5 037 822	Government Grants and Subsidies	20	6 417 935	4 854 021
878 069	685 111	Other Income	21	637 322	700 551
160 000	181 540	Public Contributions and Donations		448 769	268 007
3 002 000	3 292 167	Gains on Disposal of Property, Plant and Equipment		1 848 742	3 731 802
22 764 392	25 489 638	Total Revenue		23 578 946	22 866 452
EXPENDITURE					
7 105 478	8 212 876	Employee Related Costs	22	8 109 764	7 036 612
440 000	950 343	Remuneration of Councilors	23	1 081 708	350 586
989 446	2 442 359	Bad Debts		5 843 032	3 983 507
1 312 949	644 050	Depreciation		5 426 161	7 336 554
1 027 463	1 480 929	Repairs and Maintenance		1 857 778	1 734 541
435 287	693 716	Interest Paid	24	462 211	232 164
3 229 573	3 311 460	Bulk Purchases	25	2 630 964	2 596 421
20 000	21 600	Contracted Services		19 200	-
3 360 727	3 598 341	Grants and Subsidies Paid	26	3 635 025	3 244 270
4 815 773	4 132 368	General Expenses		3 288 378	3 124 607
22 736 696	25 488 042	Total Expenditure		32 354 220	29 639 261
27 696	1 596	SURPLUS/(DEFICIT) FOR THE YEAR		(8 775 274)	(6 772 810)
Refer to Appendix E(1) for explanation of budget variances					

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2007

	Note	2007 R	2006 R
CASH FLOW FROM OPERATING ACTIVITIES			
Cash receipts from ratepayers, government and other		23 313 267	22 616 046
Cash paid to suppliers and employees		(23 121 638)	(20 888 443)
Cash generated from / (utilized in) operations	31	191 629	1 727 603
Interest received		461 599	404 386
Interest paid		(462 211)	(232 164)
NET CASH FROM OPERATING ACTIVITIES		191 018	1 899 825
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of intangible assets		(128 089)	(184 885)
Purchase of property, plant and equipment		(2 411 868)	(247 909)
Proceeds on disposal of property, plant and equipment		1 848 742	3 731 805
(Increase) / decrease in non-current receivables		353 000	(831 468)
(Increase) / decrease in current investments		(999 743)	(985 040)
NET CASH FROM INVESTING ACTIVITIES		(1 337 959)	1 482 503
CASH FLOWS FROM FINANCING ACTIVITIES			
New loans raised / (repaid)		1 483 298	(3 652 650)
Increase / (decrease) in consumer deposits		37 903	28 799
NET CASH FROM FINANCING ACTIVITIES		1 521 201	(3 623 852)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	32	374 261	(241 523)
Cash and cash equivalents at the beginning of the year		(273 731)	(32 208)
Cash and cash equivalents at the end of the year		100 530	(273 731)

RICHTERSVELD COMPANY FOR SUSTAINABLE DEVELOPMENT RICHTERSVELD COMMUNITY BIODIVERSITY CONSERVATION PROJECT

The Richtersveld Company for Sustainable Development (RCSD), a company established in support by Richtersveld Municipality, a GEF medium-sized project funded through the World Bank and based at Port Nolloth and Eksteenfontein in the Northern Cape Province, South Africa.

- (i) Procurement and implementation of projects components:
 - a. **Component One:** The final report, including the GIS database and conservation maps, is available and has been introduced to the local stakeholders in the four Richtersveld towns. RCSD is currently reviewing the products with the intention to incorporate the findings and products into the IDP.
 - b. **Component Two:** 2.1.5 Capacity building, the SES-trainer has successfully trained eight young community members in basic project management. As a follow up, the project will offer the two most successful and motivated performers, Maria Links and Shaun Uys, an eight week long internship (hands-on training) in the Municipality. **Pending sub-components:** 2.1.1 Environmental Management/Infrastructure Planning – TOR in progress, but need harmonization with sub-component 2.3. DEAT via the regional Executive Council for Sports, Arts and Culture, might cover most TOR of this sub-component. 2.2.1 Connecting isolated biodiversity hot spots/Infrastructure Planning – TOR in progress, but need harmonization with sub-component 2.3; and 2.3 Grazing plan.
 - c. **Component Three (all sub-components pending):** 3.1.1 Feasibility studies/economic opportunities – TOR in progress; 3.1.2 Co-funding of Identified Activities – TOR in progress, but need harmonization with sub-component 3.1.1; and 3.2 Marketing plan – TOR in progress, but need harmonization with sub-component 3.1.1.
 - d. **Component Four:** 4.1 Rehabilitation of local museums – RCSD is currently reviewing the final report, including recommendations, and will decide on the follow up.
Pending sub-components: 4.2 Awareness rising – TOR in progress;
 - e. **Component Five (sub-components pending):** 5.1/5.2 Monitoring and Response system – TOR in progress; and
 - f. **Component Six (ongoing):** 6.1 Project coordinator – due to underperformance, the contract could not be extended Under the guidance of Mercia (RCSD-director and social project programme coordinator for the municipality) and with support of the Task Team Leader (TTL), two interns (see: b. component two) will assist the project in the procurement of eight component and financial record keeping.

HUMAN RESOURCES

1. SECTION 57 APPOINTMENT:

Appointment completed for Municipal Manager October 2006.

There are still two section 57 vacancies - for the posts of Financial Manager and Head of Administration.

2. MUNICIPAL STRUCTURE/ORGANOGRAM

The adopted organogram is being adapted and restructured for a more workable structure during the job description process.

3. PLACEMENTS:

Done

4. JOB DESCRIPTIONS

The process has been completed.

5. JOB EVALUATIONS

The current PJEC only has 18 job descriptions as the rest of our job descriptions are apparently still with the previous evaluation Committee.

6. LOCAL LABOUR FORUM

Labour Forum is still functional and meet on a monthly basis

7. EMPLOYMENT AGREEMENT

Completed with Municipal Manager

8. PERFORMANCE MANAGEMENT CONTRACTS

Completed for Municipal Manager

9. CONDITIONS OF SERVICES

Conditions of services are implemented.

With the Municipal Support Programme, policies like Recruitment, Selection and Placement, Induction and Orientation Policies are being drafted. An Employee Handbook with all the information about policies and procedures that each worker has to know was compiled

10. EMPLOYMENT EQUITY PLAN

Plan has been submitted to the Department of Labour and plan is being monitored.

11. LGSETA: SKILLS DEVELOPMENT

SDF has been appointed. Training Committee has been established.

We complete the process of developing a Workplace Skills Plan for the year under review.

12. OHS

Health and Safety representatives have been appointed. We are in the process of establishing a Health and Safety Forum.

SOMETHING TO THINK ABOUT

BE ON TIME, EVERY TIME

The Germans and Japanese are the world's most punctual people according to the French journal Psychologies. In parts of Africa it is not uncommon to wait for hours for things to happen. Africans believe Westerners may have watches, but Africans have time.

People who are frequently late in one area of their life may be displaying a subconscious reluctance to commit to that activity. For example, if you are always late for work, it could be interpreted that you are losing interest in your job and therefore are avoiding being there. Alternatively, by being late you could show how relatively unimportant you think your work is compared to your other concerns.

Train yourself to be punctual and more reliable:

- *First you need to get organised by setting goals and giving priorities to tasks. Be assertive and end long time-consuming phone calls or meetings and learn to say no if you do not have time for an appointment.*
- *Make a point to be on time is precious for many and nobody wants to wait. People can get upset if they are kept waiting and you will lose your credibility. After all, it is only good manners to be on time.*
- *Give yourself enough time to get there.*
- *If you are running late for an event that you are apprehensive about, ask yourself why you are so afraid of it. Analyse your feelings and deal with the fear. Remember it is not the end of the world if everything is not hundred percent perfect.*
- *People who are always late for work are often perfectly capable of being on time for other appointments. If it is your job that makes you late, find out why and deal with it. It may be a person you dislike or a specific task you are avoiding.*

Source: The Careways Group (Pty) Ltd

We must use time wisely & forever realise that the time is always ripe to do right – Nelson Mandela